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Leadership Competency Series

Competency Based Interview – How to find Right People?

The challenge of finding right people

The process of competency-based behavioural interviewing can reduce the numerous errors associated with recruitment, says M R Chandramowly

"You see, we just recruited this chap recently and things are not working out. Could you meet him and let me know what you think is the reason."

"Sure I will. But I think, I need more than that. How did you come to hire him?"

"It is that conference, you know; we were there together for those evening cocktails. We had few drinks and got on well with each other. He was quite interesting on how he looked at this world cup cricket and the politics at Bihar and about the US-Iraq war strategy, then we moved on to the management gurus and business impact and so on." "You know, the cricket, politics and business games are close to my heart and I liked him; I told our Sharma to have a look at him and he agreed with my assessment. Then we asked HR to hire him quickly and he came on board five months ago."

"I see. Mr Patel, what is not working out now and what exactly your worry is? You see; it helps me to understand better, before I meet with him."

"Now we are in deep trouble. He is not getting along too well with our core team. There were some issues with his travel bills and things like that."

FROM the above conversation it was clear. Mr Patel hastily hired him and fell into an expensive trap. Does talking about World Cup cricket signify any particular commitment to the job fit? Can a business competence be assumed from the ability of flamboyant communication? Being a nice person over a few drinks at the garden enveloping conference hall will signify great ability to get along well with people at work?

Mr Patel did not explore to answer these questions. He, like many executives, mistakenly believed that a person's competencies could be seen from appearance and conversation, mannerism and social habits. That's the one side of traditional approach to interviewing.

Cost of wrong hiring

How and why interviews go wrong? Several reasons can be attributed. Personal bias and their sources of errors; candidates could be very practiced at interviewing; the interviews conducted are not based on a proper job needs; interview questions may reveal only much about the job and not about the candidate; interview questions may be too closed-ended or interviewer might have poor listening skills etc.

A wrong hire is an expensive error. It can cost 100 to 265 per cent of the annual cost of an employee. The cost includes salary and training expenses spent on unsuccessful employee, cost of recruiting new hires, training and inefficiency of new employee; loss of performance and inefficiency of that team or unit, poorer service or product quality and potential litigation cost.

Then, how can we make our interviews better? Make an "SCB" focus. Let the interviews be Structured, Competency based and Behaviour focused.

Why structured? Structuring interviews will eliminate unplanned, haphazard interviewing. The standardised process will allow you to compare apples to apples. It decreases judgment flaws and legal liability since the process takes care of documentation to avoid human errors. Overall, it provides equal treatment to all candidates.

Why behaviourally focused?

Best predictor of future behaviour is past behaviour. Hypothetical questions can be faked. Behaviour-based questions are verifiable. Research has shown that behavioural questions are more effective.

The process of behavioural interviews goes into four stages.

1. **In the first, it is an introductory conversation to ensure formal comfort and convenience with a warming up opening of dialogue.**
2. **In the second stage, some preliminary clarifications on resume, employment details, academic/working years and gaps if any, to arrive at closed-ended confirmations.**
3. **In the third level, a set of prepared questions specifically on the functional and essential competencies are asked. This is focused on the competency gaps of the candidate based on the "Person - Position match" looking at the desired competencies of the job (predefined) and the perceived level of competencies of the candidate.**

4. **Based on the work of Dr Paul Green, organisations have become focused on behavioural interviewing as their best use of an hour or so to assess a candidate's ability to fit into their organisation. A person's ability to perform is demonstrated by their behaviour. What individuals know about a process is less important than how well they are able to apply their knowledge and skills in a specific set of circumstances. Implementation and application are far more critical than simple book knowledge. An effective way to predict an individual's potential for success, is to examine their past behaviours.**
5. **In the fourth level, the focus will be on overall culmination of the conversation summarising the understanding of mutual expectations and the next course of process.**

Developing a competency-based interview involves a basic process preparation and training in an organisation.

What is Competency-based interviewing?

The goal of interviewing is to predict or foresee how people will manage a task in a given circumstances. The challenge is to test whether the candidates has the required job competencies and the set of values and behaviours to fit into the organisation. In the competency-based interview, interviewers are equipped with predetermined competencies and they collect information on those competencies to predict how the candidate could apply those competencies in a given situation.

Competency-based interviewing provides a unique advantage in the search for qualified people in today's tight job market. It enables the interviewer to quickly identify the pattern of skills and behaviours needed for success in a specific job and then select the candidate who best fits that profile. The behavioural interview, as it is called is a part of competency-based interviewing.

"Competency" a definition I use, refers to an individual's demonstrated knowledge, skills, behaviours, experience, motives and values. Competencies are observable, behavioural acts that require a combination of all these attributes to execute. They are demonstrated in a job context and, as such, are influenced by an organisation's culture and work environment.

Like most properties of nature, effectiveness and competency in employees is distributed along a continuum that takes the form of a bell-shaped curve.

By definition, the vast majority of the employees fall in the average, or perhaps more realistically, the "mediocre" range. Only about one-fifth of the population on any measure of competency and effectiveness will be found above the average

range. These facts are essential in developing realistic expectations of an organization's hiring process. A competency-based hiring takes care of the overall cost and quality of selection.

The Process

Job description with desired competencies is the basic document. It summarises the overall responsibilities, deliverables, performance indicators and details of internal metric impact of the job. A competency profile is developed based on the job specification and job responsibilities. Generally 5 to 10 competencies are identified for each job and 3 key questions are developed for each competency. The competencies are assessed with an anchored scale linked with behavioural descriptors, which ultimately are connected to the job analysis. Based on this open-ended questions that target those competencies are designed.

In this method, the questions are open ended. If the target competency is “group communication”, the candidate is asked to explain similar situations, for example “Describe a time when you….” “Give me an example of how you….” Or precede the actual question with a statement to setup the question. “Speaking in front of groups is a requirement for this job. Describe a time….” Then solicit specific responses in behavioural terms. “What did you do to resolve...problem?” “How did you handle the situation?”

Assessment

For assessment of competencies in an interview, we can look at an example of behavioural elements to a question like, “Tell me about a time when you were given an assignment and the specifications were changed before the assignment was complete. What did you do?.” The assessment for this question can be on these elements. Has the candidate faced similar situation earlier? Ask how candidate responded (indicates behaviour)? Does the candidate apply this response style generally (confirmation of consistency of the behaviour)? Has the candidate avoided unnecessary jargon? (talks to express or speaks to impress?).

Terms like “We” and generalities must not be accepted since it takes away the individual focus.

The follow-up questions for competency assessment While examining and matching a specific competency with the target competency, it is important to focus and ask follow-up questions; “And then what happened?” “What did you do next?” “What was the result?” It is important to make sure that the “follow-ups” are related to prepared question.

“Follow-ups” also can be used to seek more information. Follow-up questions can also be used to disconfirm impressions whether positive or negative avoiding rating errors. Experienced interviewers will not go on until they have enough information

to evaluate the candidate. Of course you need to make sure that the candidate has finished responding before going to follow-ups.

Evaluating the candidate

In the evaluation, which is the final stage of interview, interviewers consider to make use of aids to memory by documentation, summary, quotes, mind mapping or taking Notes. Using internally developed scales. For example the competency "self-management" is evaluated on attributes like planning and prioritisation, coordinating tasks, concern for time or deadlines, tracking progress and goal awareness. Parallel metrics can be drawn for each attribute for evaluation on a point rating. If you expand on planning and prioritisation, there can be four types of assessment factors. It could be one point for "short-term focus on most important task at the time, two points for "general effort; some concern with long-term, three points for "considers priorities; links efforts to end results", four points for "detailed effort - achieves long and short-term goals." Finally care must be taken to maintain consistency among all the candidates.

Validating the interview is based on the final analysis of matching the target competencies with the competencies of the candidate. If the interview differentiates high performers from average/low performers... It's Valid!

Train your Interviewers. Practically the success of competency-based interviews depends on several factors. One of the key factors is quality of Assessors. Training the Assessors to conduct interviews will be critical to the success of interviews.

Benefits

Most of the research on interviewing success and accuracy has found that structured formal interviewing outperform unstructured or informal interviewing. Being prepared for the interview increases the chances of a successful outcome. Knowing ahead of time what you are going to ask and why and what good answers are likely to be will increase the accuracy of the predictions. Knowing exactly what competencies you are looking for before the interview increases the chances of an accurate impression. Knowing as much as possible about the competencies you're looking for better prepares you to evaluate the information.

Research shows that competency based selection yields higher productivity. Quicker learning curve means full productivity is achieved sooner. Higher employee satisfaction because the competencies of employees are better match to the job and finally lower turnover costs and not as much training is required to achieve full productivity and no need of constant retraining also.

A right hiring reduces risk of litigation and terminations and grievances. It also improves the selection process with increased diversity and finally achieving

greater return on investment.

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